Press Release

Emirates Islamic announces record Q1 2019 results

Dubai, 17 April, 2019: Emirates Islamic, one of the leading Islamic financial institutions in the UAE, announced its financial results for the quarter ending 31 March, 2019. The Bank reported a record net profit of AED 411 million for the first quarter of 2019, an increase of 97% year-on-year and 54% quarter-on-quarter. The strong set of results was supported by balance sheet growth, higher funded income, growth in fee income and lower cost of risk.

Results Highlights:

- Net profit of AED 411 million, up 97% year-on-year.
- Total Income of AED 663 million, increased by 12% year-on-year.
- Funded Income margins improved by 28 bps year-over-year to 3.14% helped by rate rises.
- Total assets at AED 60.6 billion, increased by 4% from end 2018.
- Financing and Investing Receivables at AED 36.4 billion, increased by 1% from end 2018.
- Customer accounts at AED 43.4 billion, up 4% from end 2018
- Impaired Financing Ratio is at 8.6% with a strong coverage ratio of 111%.
- Headline financing to deposit ratio at 84%, demonstrates a healthy liquidity position.
- Tier 1 capital ratio at 17.4% and Capital adequacy ratio at 18.5%.

Salah Mohammed Amin, Chief Executive Officer of Emirates Islamic commented: “We are very pleased to announce a strong performance by Emirates Islamic in the first quarter of 2019, continuing the growth trend from 2018. We have recorded our highest ever quarterly net profit since our inception in 2004, amounting to AED 411 million for Q1-19, a 97% increase year-on-year. Our operating performance is a result of core business

growth, linked with a continuing improvement in cost of risk. The Bank's balance sheet remains healthy with a further strengthening in capital due to retained earnings, stable credit quality and liquidity.

"At Emirates Islamic, we are committed to the growth of Islamic banking across the UAE, and we recently launched our flagship branch in Abu Dhabi, providing Retail, Priority, Business and Corporate Banking services to our customers in the capital. As an Islamic bank that has always set high standards, we have focused on enhancing the customer experience, with significant investments in improving technology and processes to provide customers with an easy and seamless banking experience. With more of our customers banking digitally, we will continue to expand the range of services on our Online Banking, Mobile App and other digital channels. Among many other firsts, we are the first and only Islamic bank in UAE to have launched all 3 major digital mobile wallets, namely Apple Pay, Google Pay and Samsung Pay, providing secure and convenient payment solutions to our customers.

Amin added, "As the official Islamic banking partner of Expo 2020 Dubai, we aim to play a key role in supporting the nation's development. The uptake of Islamic banking products and services across the corporate, SME and individual segments has increased, and with our focus on innovation and superior customer experience, we are well positioned to increase our market share in this sector."

The Bank was recognised for its focus on Emiratisation and providing career growth opportunities to UAE Nationals by winning the 'Human Resources Development' award from the Emirates Institute for Banking and Financial Studies. Emirates Islamic's Kunooz Savings Account continues to be the preferred savings account in the UAE and was named 'Best Banking Product' by Global Banking & Finance Review. In recognition of the Bank's efforts at driving innovation in the overall Islamic banking sector, Emirates Islamic was also named 'Most Innovative Islamic Bank' by Islamic Finance News.

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About Emirates Islamic:
Emirates Islamic (DFM: EIB), part of Emirates NBD Group, is one of the fastest growing banks in the UAE. Established in 2004 as Emirates Islamic Bank, the bank has established itself as a major player in the highly competitive financial services sector in the UAE.

Emirates Islamic offers a comprehensive range of Shari'a-compliant products and services across the Personal, Business and Corporate banking spectrum with a network of 60 branches and 211 ATMs/CDMs across the UAE. In the fast growing area of online and mobile banking, the bank has the reputation as an innovator, being the first Islamic bank to launch a mobile banking app and the first Islamic bank to offer Apple Pay in the UAE.

Emirates Islamic has consistently received local and international awards, in recognition of its strong record of performance and innovation in banking. The bank won the prestigious Euromoney award for innovation in Islamic Finance in 2015 and Global Finance's Innovator in Islamic Finance award for EI trade, the world's first Shari'a-compliant online trade finance and supply chain platform. The bank has won several industry accolades in 2017, including Service Olympian Award for 'Most Improved Website' and 'Best Social Media Reach'. In 2018, Emirates Islamic was named 'Best Islamic Bank" in the UAE by Global Finance and 'Best Islamic Banking Brand' by Global Brands Magazine. The bank has also claimed the 'Best Mobile Banking app' award, and the 'Best Islamic Card' for its Emarati Credit Card at the Banker Middle East Product Awards 2018.

As part of its commitment to the UAE community, the Emirates Islamic Charity Fund provides financial aid to those in need, with a focus on food, shelter, health, education and social welfare contributions.

For further information please visit www.emiratesislamic.ae

Or please contact:

Amina Al Zarooni
Media Relations Manager, Emirates Islamic
Tel: 971 4 4397430; Mob: 971 56 6405080
Email: AminaAlZarooni@emiratesislamic.ae

Ibrahim Sowaidan
Head - Group Corporate Affairs
Emirates NBD
Telephone: +971 4 609 4113 / +971 50 6538937
e-mail: ibrahims@emiratesnbd.com